



PRESS RELEASE

House National Security Committee

Floyd D. Spence, Chairman

FOR IMMEDIATE RELEASE

May 6, 1998

CONTACT: Maureen Cragin

Ryan Vaart

(202) 225-2539

NATIONAL SECURITY COMMITTEE REPORTS

DEFENSE BILL OUT OF COMMITTEE

Tonight, the House National Security committee reported H.R. 3616, the Fiscal Year 1999 National Defense Authorization Act, out of committee on a strong, bipartisan 50 to 1 vote. Upon final passage, committee Chairman Floyd Spence (R-SC) issued the following statement:

“Even though the committee was unable to address as many of the military’s growing quality of life, readiness and modernization shortfalls as we have in the past due to the funding constraints imposed by the Balanced Budget Act, the fact that the bill enjoys such strong bipartisan support clearly demonstrates that we’ve done the best job possible under the circumstances.

“After 14 consecutive years of real decline in defense spending, it has become exceedingly difficult to maintain our nation’s all-volunteer force. And the risk is growing every day. Because the committee was unable to increase the President’s defense budget for the first time in three years, this bill instead reflects a careful reprioritization of the request to better concentrate limited resources on the priorities of enhancing quality of life, sustaining readiness and modernizing aging equipment.”

###

The committee used the fiscal year 1999 defense spending recommendation contained in last year’s concurrent resolution on the budget (H.Con.Res. 84). This level, \$270.8 billion in budget authority, is consistent with the discretionary spending cap for defense established in the Balanced Budget Act of 1997. A summary of the bill’s major provisions is posted on the committee’s homepage at <http://www.house.gov/nsc/>.



PRESS RELEASE

House National Security Committee

Floyd D. Spence, Chairman

FOR IMMEDIATE RELEASE
May 6, 1998

CONTACT: Maureen Cragin
Ryan Vaart
(202) 225-2539

SUMMARY OF MAJOR PROVISIONS

H.R. 3616: NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

**AS REPORTED BY THE
HOUSE NATIONAL SECURITY COMMITTEE**

MAY 6, 1998



TABLE OF CONTENTS

Quality of Life.....	1
Pay and Allowances.....	1
Military Health Care.....	3
Military Construction.....	4
Morale, Welfare, and Recreation.....	5
Other Initiatives.....	7
Readiness Realities.....	8
Operations and Maintenance Funding.....	8
Improving Readiness.....	9
Tools for Shaping the Force.....	10
Building Tomorrow's Military.....	14
Ballistic Missile Defense.....	14
Aircraft.....	16
Helicopters.....	18
Munitions.....	19
Naval Programs.....	19
Ground Weapons and Vehicles.....	20
Innovative Technologies.....	22
Safety and Survivability.....	23
Reform.....	25
Other Initiatives.....	27
Table of Major Programs.....	35
Index.....	37

QUALITY OF LIFE

The Army, which conducted 10 “operational events” outside of normal training and alliance commitments during the 31 year period of 1960-1991, has conducted 26 “operational events” in the seven years since 1991. The Marine Corps, which undertook some 15 “contingency operations” between 1982 to 1989, has conducted 62 since the fall of the Berlin Wall. For the first time, the Air Force is experiencing long-term deployments. All of these additional deployments and contingencies have come at a time when the nation’s military has been reduced from 18 to 10 Army Divisions, the number of Navy ships cut by nearly half, and Air Force fighter wings reduced from 24 to 19. Overall, the military downsizing has taken us from approximately 2.2 million active duty service members to the budget request level for fiscal year 1999 of 1.4 million active duty soldiers, sailors, airmen, and Marines. As this increased pace of operations has been combined with declining defense budgets and a shrinking force structure, American military personnel and their families have been forced to make great personal sacrifices just to get the job done – even in peacetime. According to many service members, the declining quality of military life is one of the primary reasons why recruiting and retention problems are on the rise

The committee recognizes the quality of life problem, and has once again taken a multifaceted approach to maintaining quality of life for military personnel and their families: providing fair compensation; improving the military health care system; maintaining retirement benefits; supporting morale, welfare, and recreation programs; and ensuring that military personnel live and work in high quality facilities.

Pay and Allowances

Despite Congress’ efforts over the past three years to incrementally increase various elements of military compensation, the committee is concerned that the level of compensation provided to service members has eroded the services’ ability to recruit and retain a quality force. Therefore, in an effort to improve quality of life, and address retention and recruiting problems, the committee recommends the following actions:

- **Basic Military Pay Increase.** The committee recommends a 3.6 percent military pay raise (.5 percent more than the President’s request). The President’s budget request employed the “by law” model to determine the military pay raise – .5 percent below the Employment Cost Index (ECI) – which would increase the “pay gap” between the military and the private sector to 14 percent. The committee’s recommended one-half of one percent increase would provide a military pay raise equal to that of pay raises in the private sector, and would freeze the “pay gap” at its current level.

- **Active Duty Special Pay and Bonuses.** The committee recommends a provision that would extend the authority for several special pays and bonuses for active duty personnel through September 30, 2000, including:
 - aviation officer retention bonus;
 - reenlistment bonus for active members;
 - special pay for nuclear qualified officers extending the period of active service;
 - nuclear career accession bonus; and
 - nuclear career annual incentive bonus (extended to October 1, 2000).

For additional information on the committee's recommendations for active duty enlistment bonuses, see "Recruiting" on page 12.

- **Reserve Forces Special Pay and Bonuses.** The committee recommends a provision that would extend the authority for certain special pays and bonuses for reserve personnel through September 30, 2000, including:
 - special pay for health care professionals who serve in the selected reserve in critically short wartime specialties;
 - selected reserve reenlistment bonuses;
 - special pay for selected reserve enlisted who are assigned to certain high priority units;
 - ready reserve reenlistment bonus; and
 - authority for repayment of educational loans for certain health professionals who serve in the selected reserve (extended to October 1, 2000).

For additional information on the committee's recommendations for reserve enlistment bonuses, see "Recruiting" on page 12.

- **Imminent Danger Pay Policy for Reservists.** The committee recommends a provision to make Reserve policy equitable with Active policy by authorizing reservists to receive a full month's imminent danger pay (\$150 per month), even if they do not serve in "imminent danger" for an entire month.
- **Extending Reenlistment Bonuses to Active Duty Reservists.** In recent years, reserve personnel in the Active Guard and Reserve (AGR) have played an increasing role in active duty missions. In order to encourage the best of these personnel to remain in the force, the committee recommends a provision that would authorize payment of selective reenlistment bonuses to reservists on extended active duty in the AGR program.

Military Health Care

The committee remains concerned by the perceived erosion of the health care benefits of service members, their families, and retirees. While the committee was pleased that, for the first time in three years, the Administration fully funded the Defense Health Program, the committee was disappointed that the President's budget request did not include any additional funding for retiree health care; nor did it offer any viable new alternatives for meeting the health care needs of this beneficiary population. Despite the claim that the TRICARE program is saving the Department of Defense (DOD) billions of dollars in health care costs, none of these savings are being directed towards improving health care coverage for military retirees. Therefore, the committee urges the President and the Secretary of Defense to consider using at least part of these savings to ensure the availability of health care for all beneficiaries, including military retirees who are eligible for Medicare. In addition, continuing the committee's efforts to improve the military health benefit, the committee recommends the following provisions:

- **Reform of the Military Pharmacy System.** In recent years, the adequacy and availability of the military pharmacy benefit has been questioned. In response to numerous complaints from beneficiaries, and based upon anecdotal information that many military treatment facilities (MTFs) are severely reducing pharmacy formularies as cost-saving measures, the committee last year directed the General Accounting Office (GAO) to evaluate the entire DOD pharmacy system. Preliminary reports indicate that GAO will recommend a complete redesign of the pharmacy system to incorporate private sector pharmacy "best practices" and to establish a universal, uniform pharmacy benefit. Based upon the preliminary findings and recommendations of GAO, the committee recommends a provision that directs the Secretary of Defense to submit a plan to Congress by March 1, 1999, for a system-wide redesign of the military pharmacy system that incorporates private sector pharmacy "best practices" and provides all military beneficiaries, including those eligible for Medicare, with a universal, uniform pharmacy benefit.
- **Health Care Access Standards.** In light of numerous reports that TRICARE standards for access to primary care services are not being met in many areas of the country, the committee recommends a provision that would require the Secretary of Defense to establish a system to measure the performance of MTFs and TRICARE contractors in meeting these standards for timely access to care. The committee believes that such a system will ensure greater compliance with these standards and improve beneficiary access to health care services.
- **Ensuring Health Care for Military Retirees.** In recent years, budget cuts, reductions in medical personnel, and base closures have made accessing the military health system more difficult for military retirees and their dependents. As a result, many military retirees have found that the military health care benefits they "earned" through dedicated career service in the military are not always there when they need them. The committee strongly believes that the Administration has an obligation to fulfill the promises made

to America's military retirees – particularly the promise of lifetime health care. Therefore, the committee directs the Secretary of Defense to submit a plan to Congress by March 1, 1999 in which all military beneficiaries would have access to an adequate health care benefit by October 1, 2001. In developing this plan, the committee believes DOD should evaluate all potential options, including expanding TRICARE eligibility, Medicare subvention, opening the Federal Employees Health Benefits Program (FEHBP) to military retirees, and Medigap supplemental policies.

- **Expanding Dependent Dental Care.** Under current law, military dependents may enroll in the military retiree dental program only if the retired member also enrolls. Since many retirees receive dental care through Department of Veterans Affairs programs or employer-sponsored dental plans, or have medical or dental conditions that may preclude their use of the dental program, they are forced to enroll in the military retiree dental program just to ensure coverage for their dependents. The committee recognizes that this is an unreasonable requirement, and recommends a provision that would allow the dependents of certain military retirees to independently enroll in the retiree dental program.
- **Claims Processing Reforms.** The committee was surprised to learn at a recent TRICARE hearing that DOD's procedures for settling health services claims occasionally result in military beneficiaries being subjected to collection actions. The committee does not believe that military beneficiaries should have their credit records tarnished by a cumbersome TRICARE claims processing requirement. Therefore, the committee recommends a provision that would authorize the Secretary of Defense to fix this problem by requiring TRICARE contractors to pay all provider claims in a timely manner and then to seek recovery from third parties who may be liable.
- **Enrollment-Based Capitation Funding.** Due to concerns about the potential adverse impacts of DOD's initiative to impose a strict managed-care financing mechanism on MTFs (known as enrollment-based capitation), the committee recommends a provision that would require the Secretary of Defense to report to Congress by March 1, 1999, on how this funding mechanism will work. Specifically, the committee asks that the report explain how enrollment-based capitation will affect the availability of medical care in military facilities for military beneficiaries not enrolled in TRICARE Prime, its potential impact on the MTF pharmacy benefit, and what plans DOD has to ensure the provision of adequate health care and prescription drugs to non-enrolled military beneficiaries.

Military Construction

Once again, the President's budget request severely underfunded military construction accounts. In fact, the President's \$7.8 billion request for military construction and military family housing programs for fiscal year 1999 was \$1.4 billion (15 percent) less than current spending levels. According to the service chiefs, the military is suffering from a shortfall of \$7.6 billion in mili-

tary construction accounts alone. In efforts to improve military infrastructure, the committee has added over \$2.1 billion to the President's budgets over the past three years. Once again, the committee reprioritized the President's budget, and added funds to improve living and working conditions for military personnel and their families. The committee recommends \$8.2 billion (\$450 million more than the President's request) for military construction accounts. Over \$183 million of the increase is dedicated to quality of life enhancements. Specific military construction initiatives include:

- **Family Housing.** The President requested \$611 million for construction and improvement of military family housing units, representing a 31 percent reduction from current spending levels. The committee recommends \$660 million (eight percent more than the President's request) for construction and improvement of military family housing units.
- **Troop Housing.** The committee recommends \$635 million (\$72 million more than the President's request) for the construction of 40 (seven more than the President's request) new barracks and dormitories within the United States and to support troops deployed abroad;
- **Child Development Centers.** The committee recommends \$31 million for seven child development centers (\$7.9 million and two child development centers more than the President's request); and
- **Fitness Centers.** The committee recommends \$46 million (\$30 million more than the President's request) for eight fitness centers (five more than the President's request).

Morale, Welfare, and Recreation (MWR)

MWR programs have long been an important facet of U.S. military life. Commissaries, exchanges, libraries, and other MWR facilities significantly ease the financial, physical, and mental burdens of service members and their families. As such, MWR programs are vital to maintaining service members' quality of life. The committee has two primary goals regarding MWR programs: first, to maintain the range and quality of these benefits, and second, to ensure that these benefits are provided in as cost effective a manner as possible.

- **Ensuring Access to Resale Products.** In recent years, overseas base commanders have attempted to curtail black markets around military installations by restricting the sales of certain commissary and exchange items to military dependents. Although these restrictions are in response to the increasing use of counterfeit military dependent ID cards by black marketeers, the committee believes that such restrictions unfairly limit the product options military dependents have the right to enjoy while deployed overseas. Therefore, the committee recommends a provision to require the Secretary of Defense to ensure that any restrictions on commissary and exchange product sales are consistent with the pri-

mary purpose of the resale system – to provide U.S.-made goods to authorized patrons. In addition, the committee expects DOD to begin exercising more effective supervision over restrictions on overseas resale programs.

- **Stabilizing the DOD Resale System.** The President's budget request would divest funding and management of the Defense Commissary Agency (DeCA) to each of the military services. The committee is concerned that such a plan would negate the benefits gained several years ago when the former service commissary agencies were consolidated into DeCA, and would further strain the Operations and Maintenance (O&M) accounts of each of the military services. Therefore, the committee recommends a provision to require the Office of the Secretary of Defense to continue to manage and fund DeCA. In addition, the committee recommends a provision that would prohibit DOD from consolidating military exchange and commissary operations unless specifically authorized by law.
- **Expanding Commissary Benefits.** The committee recognizes the increased missions reserve personnel have been tasked with in recent years. Accordingly, the committee recommends a provision to increase from 12 to 24 the number of calendar days per year that certain ready reserve members and reserve retirees under the age of 60 may use commissary stores. This provision would also allow National Guard personnel to use commissaries and exchanges while they are active for federally-declared disasters.
- **Ensuring Accessibility of Libraries.** The Army and the Navy have recently closed libraries at several active installations. The committee believes that libraries are an important MWR benefit for service members as well as their families, and directs the Secretary of Defense to immediately suspend further library closings (except at those installations being closed under BRAC). In addition, the committee directs the Secretary to report to Congress by December 31, 1998 on libraries that were closed, libraries that are open less than four days a week, and why in each case library services was cut back or eliminated. Furthermore, the committee directs the Secretary to report on plans to reestablish libraries at installations that currently are without them.

Other Initiatives

Impact Aid. The committee continues to place a priority on ensuring that the children of military families receive a quality education. One means of supporting this priority is through the Department of Education's Impact Aid program, which provides supplementary funds to school districts nationwide to support the education of nearly 550,000 military children. Although the committee believes that assistance to local educational agencies should be funded through the Department of Education, the committee recognizes that Impact Aid funding is diminished by inflation and spending reductions every year. For this reason, the committee annually authorizes funds for DOD's contribution to educational assistance to local agencies. Unfortunately, DOD made the disturbing decision not to use the funds authorized for Impact Aid last year, depriving many military-area school systems of badly-needed funds. Nevertheless, the committee once again recommends \$35 million (the President's budget did not include any funding) for Impact Aid spending, a total the committee fully expects DOD to utilize this year.

READINESS REALITIES

The committee remains concerned by contradictions between official reports of military readiness and the reality confronting military personnel out in the field. Where official reports and testimony before the committee portray the overall readiness of U.S. armed forces as high, soldiers, sailors, airmen and Marines increasingly admit that their units are continuing to slip below standards. In an effort to assess current levels of readiness, the committee conducted a series of hearings – both in Washington and at various military installations throughout the United States – to hear the views of operational unit commanders and senior non-commissioned officers from all of the military services on this issue. What the committee heard from all who testified was that personnel are working harder and longer than ever before, leaving little doubt that “doing more with less” is methodically undermining the readiness of U.S. military forces. Despite dedication and high morale, the readiness of today’s forces has become a systemic problem that limits the military’s ability to execute the National Military Strategy. Therefore, the committee increased funding for key readiness accounts, while including in the bill a number of provisions to improve Congress’ understanding of the extent of the readiness problem, ensure that service personnel continue to receive the training they need, and help the U.S. military to continue to recruit and retain the best and brightest.

Operations and Maintenance (O&M) Funding

Despite a growing consensus that U.S. military readiness is in a steep decline, the Administration continues to underfund critical accounts that support the ability of U.S. forces to fight and win wars. Despite the addition by Congress of approximately \$350 million in fiscal year 1998 to address the backlog of depot maintenance and repair, the backlog will grow by \$120.4 million in fiscal year 1999. Despite the addition by Congress of \$600 million in fiscal year 1998 for real property maintenance and repair accounts, this backlog will grow by \$1.6 billion in fiscal year 1999. And despite the addition of \$562 million in fiscal year 1998 for Navy and Air Force flying hour and spare parts accounts, the shortfall in fiscal year 1999 is projected to reach \$250 million. These few examples are symptomatic of the problem: as defense resources and force size have declined, and the number, frequency, and duration of contingency operations has increased, the ability of U.S. armed forces to train for their primary warfighting missions has been seriously compromised.

Repeating its efforts over the past three years, the committee believes that funding critical readiness accounts is the first step towards stopping the decline in military readiness. Once again, the committee added funds to the most critical accounts for the military’s training and warfighting missions. Accordingly, the committee recommends:

- \$6.8 billion (\$235 million more than the President’s request) for depot maintenance to reduce backlogs in the active and reserve components;
- \$200 million more than the President’s request for aircraft spare parts;

- \$125 million more than the President's request for improvements to training centers; and
- \$4.3 billion (\$175 million more than the President's request) for real property maintenance (RPM) to address the growing maintenance backlog for facilities, including barracks, dormitories, critical health and safety deficiencies, and mission critical operational deficiencies.

Improving Readiness

Improving the Accuracy of Readiness Measurements. Over the past four years, the contradictions between assessments of military unit readiness as reflected in official reports and the observations made by military personnel in the field have become increasingly hard to reconcile. Around the globe, from all ranks, in formal hearings, field hearings and in confidential conversations, the committee has heard repeatedly a litany of readiness problems, including operating tempo, increased deployments, morale, the impact of peacekeeping operations, and the increasing use of training funds for other purposes. Because none of these factors are measured by the current readiness reporting system, they are derided as “anecdotal.”

While senior DOD leaders have only recently begun to acknowledge the validity of the concerns the committee has raised over the past four years, the persistence of these problems leaves the committee concerned by the lack of progress the Department of Defense has made to develop a more comprehensive readiness measurement system reflective of today's operational realities. After extensive review of the current readiness reporting system, the committee believes that significant reform in this area is necessary. A comprehensive readiness reporting system would contain four basic elements: a unit status report that measures the readiness of service units; a training establishment status report that measures the condition of service training institutions; a deployment infrastructure status report that measures the ability of service and other defense facilities to deploy and sustain forces; and a Joint Forces Status Report that measures DOD's ability to successfully conduct the two major theater wars on the timelines of theater commanders-in-chief. More importantly, it would be guided by a simple and straightforward philosophy: a readiness reporting system should measure objectively the posture and status of the Defense Department as of the date of reporting – not what it might be at some future time – and compare that current status against wartime requirements. The reporting system must also be capable of daily updates and be transparent and comprehensible to those who make the crucial decisions about the national security of the United States. The committee notes that nine of the 11 unified and specified commanders-in-chief have made such a readiness reporting system a top priority. Therefore, the committee recommends a provision to require the Secretary of Defense to develop a readiness reporting system by July 1, 1999 that incorporates these four basic elements, and reflects this reporting philosophy.

Funding Key Training Centers. Each of the military services rely heavily upon certain key training facilities to hone their combat skills. For instance, the Army relies upon the National

Training Center (NTC) – the only U.S.-based training facility at which Army maneuver units can train for high-intensity combat against a dedicated force. Despite the importance of such training, the President’s budget request did not include sufficient funds to maintain training levels at many of the facilities. In particular, despite clear congressional guidance last year, the Army failed to request fiscal year 1999 funds for operation of the pre-positioned fleet of equipment at the NTC from a central account. Without central funding, units training at the NTC are forced to use funds provided for home station training to train at the NTC. The committee believes that forcing commanders to choose between home station and NTC training is unreasonable, particularly given the readiness problems already facing the force. Therefore, the committee once again rejects the Army’s policy and recommends \$60.2 million to pay for the costs associated with the operation of the NTC pre-positioned equipment. The President’s budget request also failed to properly fund several other key military training facilities. Therefore, the committee recommends an additional:

- \$20 million for the Naval Strike Air Warfare Center at Fallon Naval Air Station, Nevada;
- \$20 million for the Air Warfare Center at Nellis AFB, Nevada;
- \$20 million for the Joint Readiness Training Center at Fort Polk, Louisiana; and
- \$5 million for the Marine Air Ground Combat Center at Twenty Nine Palms, California.

National Guard and Reserve Construction. The committee authorizes \$332 million (\$142 million more than the President’s request) to enhance the training and readiness of the National Guard and reserves, including:

- \$70 million for the Army Reserve National Guard;
- \$98 million for the Air National Guard;
- \$85 million for the U.S. Army Reserve;
- \$34 million for the Navy and Marine Corps Reserves; and
- \$35 million for the Air Force Reserve.

Training Ammunition. Despite added funding last fiscal year, each of the services continue to experience shortfalls in their stocks of training ammunition. In some instances, these shortfalls have forced the services to use war reserve ammunition for training purposes. Accordingly, the committee recommends \$45 million more than the President’s request for procurement of sufficient training ammunition to ensure that military personnel are able to maintain an adequate level of readiness and, in some cases, the minimum level of training.

Tools for Shaping the Force

Active Duty End Strengths. In light of repeated reports of manpower shortages in all services, the committee believes that the President’s military personnel budget request and end strengths are inadequate to provide the forces needed to carry out the current national military strategy, support the current operations tempo, and provide a decent quality of life. Accordingly, the committee has maintained the mandatory floors on active duty end strength (with the ability to

vary from the floors by one percent), increased the President's requested active duty end strength levels by nearly 11,000 personnel, and added \$74 million to enable the active Army to maintain end strength levels throughout the fiscal year. The committee's recommended active duty end strength levels are as follows:

Fiscal Year 1999 Endstrength - Active Forces

<i>Service</i>	<i>FY 1998 Level</i>	<i>FY 1999 Request</i>	<i>FY 1999 Recommendation</i>	<i>Change from FY 1999 Request</i>	<i>Change from 1998 Level</i>
Army	488,000	480,000	484,800	4,800	-3,200
Navy	386,894	372,696	376,423	3,727	-10,471
Marine Corps	172,987	172,200	173,922	1,722	935
Air Force	371,409	370,882	371,577	695	168
Total	1,419,290	1,395,778	1,406,722	10,944	-12,568

Selected Reserve End Strengths. To improve the readiness of the Army Reserve, as well as its capability to sustain a high operations tempo in support of the active components, the committee has increased the Army Reserve end strength above the request by 1,000 full time personnel, and added \$25 million to support the initiative. The committee's recommended selective reserve end strengths are as follows:

Fiscal Year 1999 Endstrength - Selected Reserve

<i>Service</i>	<i>FY 1998 Level</i>	<i>FY 1999 Request</i>	<i>FY 1999 Recommendation</i>	<i>Change from FY 1999 Request</i>	<i>Change from 1998 Level</i>
ARNG	361,516	357,000	357,000	0	-4,516
USAR	208,000	208,000	209,000	1,000	1,000
USNR	94,294	90,843	90,843	0	-3,451
USMCR	40,855	40,018	40,018	0	-837
ANG	108,002	106,991	106,991	0	-1,011
ASAFR	73,447	74,242	74,242	0	795
USCGR	7,800	8,000	8,000	0	200
Total	893,914	885,094	886,094	1,000	-7,820

National Guard Full Time Support. In response to the Army Chief of Staff's request, the committee recommends an additional \$27 million for the Army National Guard Operations and Maintenance account to restore up to 800 military technicians (dual status). These technicians are critical to maintaining the readiness of Army National Guard combat forces.

Drawdown Tools. The committee recognizes the importance of certain temporary authorities to allow DOD to effectively shrink and shape its force. However, the committee is concerned that end strength reductions are largely responsible for the increased personnel tempo within the armed services that has eroded readiness and severely hampered efforts to retain quality service members. Therefore, the committee recommends a one year extension of several authorities through fiscal year 2000, including:

- active and reserve early retirement authority;
- voluntary separation incentive authority;
- increased flexibility in the management of selective early retirement boards;
- reduction of time-in-grade requirement for retention of grade upon voluntary retirement;
- reduction of length of commissioned service for voluntary retirement as an officer; and
- enhanced health, commissary, and family housing benefits.

Recruiting Challenges. DOD continues to struggle to recruit sufficient numbers of high-caliber men and women to serve in the military, and then to retain them beyond the first few years of service. The Army, in particular, has had difficulty meeting its recruiting goals, despite reducing recruit quality objectives, increasing the number of recruiters, lowering accession goals, and adding over \$100 million to recruiting accounts since fiscal year 1997. The Navy, too, has had difficulties meeting its recruiting goals this year; in the first quarter of 1998, the Navy fell 1,400 recruits short of its goal. In an effort to improve recruiting, the committee makes the following recommendations:

- **Recruiting Advertising.** The committee recognizes the value of advertising to the recruiting efforts of the services. As such, the committee recommends an additional \$53 million for advertising (\$35 million for the Navy, \$12 million for the Marine Corps, \$3 million for the Air National Guard, and \$3 million for the Air Force Reserve).
- **Recruiter Support.** The committee recommends an additional \$5.1 million (\$3.6 million for the Navy and \$1.5 million for the Marine Corps) for basic recruiter expenses (e.g., computers, brochures and other marketing supplies, etc.).
- **Enlistment Bonuses.** Enlistment bonuses have traditionally made a tangible difference in attracting recruits to the military. Accordingly, the committee recommends an additional \$22.4 million for enlistment bonuses (\$9.4 million for the Navy, \$3 million for the Marine Corps, and \$10 million for the Army). In addition, the committee recommends a provision to increase the maximum bonus for enlistment in the Army from \$4,000 to \$6,000. Finally, the committee recommends a provision to extend the authorities for enlistment bonuses for active duty personnel with critical skills, selected reserve, ready reserve, and for reserves with prior service through September 30, 2000. The committee's actions on other bonuses and pay are listed under "Pay and Allowances" on page 2.

- **College Fund.** The College Fund provides an important added incentive for many recruits – money for education after leaving the military. In support of this program, the committee recommends an additional \$19.8 million (\$13.9 million for the Navy and \$5.9 million for the Marine Corps). In addition, reflecting concern that the existing College Fund maximum is insufficient to attract recruits in light of the rapidly rising costs of attending college, the committee recommends a provision to increase the maximum payment offered from \$40,000 to \$50,000.

BUILDING TOMORROW'S MILITARY

For the fourth consecutive year, DOD's modernization budget fell far short of the \$60 billion that former Chairman of the Joint Chiefs General Shalikashvili testified the military needs each year to update its aging force. Even more disturbing is the continuing trend of Presidential budget requests for modernization that are billions less than they were forecast to be during the previous year. Although the President's fiscal year 1999 procurement budget request of \$48.7 billion grows modestly in real terms for the first time in 13 years, it is still \$2 billion less than it was projected to be one year ago, and the forecast for fiscal year 2000 is an additional \$2.9 billion below what was projected last year. While the committee is pleased that DOD finally "turned the corner" and increased modernization, the committee also recognizes that the Administration's pattern of delaying modernization increases has taken a toll on the U.S. military. The services' weapons and equipment are reaching the ends of their service lives, wearing out because of today's overwhelming pace of operations, or simply becoming obsolete as other nations update their militaries. Over the past three fiscal years, the committee has added over \$15 billion to procurement accounts. Despite severe fiscal limitations, the committee was able to continue its pattern of increasing procurement accounts this year. Equally important, the committee reprioritized funds to support key modernization accounts. As a result, the committee recommends \$48.9 billion for procurement, \$250 million more than the President's request.

The research and development situation is even gloomier than procurement. While the President's budget projects procurement accounts to increase by as much as 29 percent over the next five years, defense spending for research and development accounts are forecasted to fall by at least 14 percent. This financial reality appears to be in stark contrast to the QDR's recommendation for DOD to prepare for future conflicts, implement leap-ahead technologies, and maximize the capabilities of smaller forces. Nevertheless, the committee recommends \$36.1 billion, matching the President's request for the R&D accounts.

Ballistic Missile Defense (BMD)

Ballistic Missile Defense Organization (BMDO) Funding. Developing and fielding effective theater and national missile defenses to counter existing and emerging ballistic missile threats remains one of the committee's highest priorities. Nevertheless, according to the President's defense plan, BMDO research and development accounts will reach their lowest levels in two decades in fiscal year 2003. These low funding levels reflect the Administration's unwillingness to invest in the development of next generation missile defense technologies. Therefore, the committee recommends \$3.8 billion for BMDO, \$132.8 million more than the President's request.

National Missile Defense (NMD). The committee recommends \$950.5 million for NMD, matching the President's request. The committee also recommends a provision to express the sense of Congress that any deployed NMD system should protect all 50 states and all U.S. territories.

Space Based Laser (SBL). The committee recommends \$73.8 million (\$20 million less than the President's request) for SBL, a space-based missile platform that would destroy ballistic missiles with a high-powered laser. The reduction reflects the committee's belief that, although SBL technology has reached the point at which a demonstrator is the next logical step, the program as currently structured is not adequately defined or funded sufficiently in the outyears.

Atmospheric Interceptor Technology (AIT). The committee recommends \$46.5 million (\$22 million more than the President's request) for the AIT program, which develops advanced components of hit-to-kill vehicles. As long as BMDO continues to pursue hit-to-kill missile defense systems, the committee believes that the AIT program will remain a source of beneficial technology.

Theater Missile Defense (TMD). The recent discovery that North Korea has deployed and Iran is developing medium-range ballistic missiles is of great concern not only because of the threats they pose, but also because currently-fielded U.S. TMD systems are not entirely capable of meeting these new threats. This March, the House passed by voice vote H.R. 2786 – the Theater Missile Defense Improvement Act – indicating strong support for accelerating TMD system development. Accordingly, the committee recommends TMD funding in the following amounts:

- \$821.7 million for the Theater High Altitude Air Defense (THAAD) program, the requested amount;
- \$43 million for the Medium Extended Air Defense System (MEADS), the requested amount. However, none of these funds may be expended unless the Secretary of Defense certifies that MEADS development will be funded in the future years defense plan. If the Secretary does not certify this, these funds may be used to modify the Patriot Advanced Capability-Configuration 3 (PAC-3) to satisfy the need for a mobile TMD system;
- \$310.4 million for the Navy's Theater Wide program, an increase of \$120 million. Of this increase, \$50 million would allow the Navy to upgrade its ship-borne radar to better perform the TMD mission. The committee believes that deployment of Theater Wide in fiscal year 2005 is a realistic and achievable goal;
- \$245.8 million for development and \$43.3 million for procurement of the Navy Area Defense program, matching the President's request; and
- \$193.3 million (\$56 million more than the President's request) for research and development and \$303.2 million (\$40 million less than the President's request) for procurement of the PAC-3. The committee believes that this reprioritization of funds will help to assure a successful test program and to establish a more robust initial rate of production.

Cooperative Programs. The committee also supports cooperative international BMD programs and recommends \$50.7 million for these efforts. This includes \$37.9 million (matching the President's request) for the U.S./Israel Arrow project and \$12.8 million for Russian-American cooperative BMD projects (matching the President's request). In light of reports that rapid advances in the Iranian ballistic missile program are largely due to Russian assistance, the committee recommends a provision to withhold \$5 million of the funds authorized for Russian-American cooperative BMD projects until the Secretary of Defense certifies to Congress that DOD has received detailed information about the nature and extent of ballistic missile technology transferred from Russia to Iran.

Aircraft

Bomber Modernization. The Long Range Airpower Review panel recently recommended that the Administration and Congress should fully support upgrades to the current U.S. bomber fleet. The committee supports this conclusion and believes that upgrades to the entire fleet, particularly to the small fleet of B-2 bombers, should be a priority. Therefore, the committee recommends \$275.9 million for post production support of the B-2 fleet (\$86 million more than the President's request) and \$145.6 million for modifications to the entire bomber fleet (matching the President's request). The committee also agrees with Long Range Airpower Review panel's view that DOD lacks a long-term bomber force structure plan. Therefore, the committee directs the Secretary of the Air Force to report to Congress by March 1, 1999, on planned upgrades to the current bomber fleet, a funding profile for these upgrades, and a timeline for consideration of the acquisition of a follow-on bomber.

C-17 Globemaster. The committee supports the President's request for \$2.6 billion for 13 C-17 aircraft and \$303.5 million for advance procurement of 15 C-17 aircraft in fiscal year 2000.

E-8C Joint Surveillance and Target Attack Radar System (Joint STARS). Joint STARS is an E-8C aircraft equipped with a long-range, air-to-ground surveillance system designed to locate, classify and track ground targets in all weather conditions. The QDR recommended reducing procurement of Joint STARS aircraft from 19 to 13, based on the assumption that the North Atlantic Treaty Organization (NATO) would select Joint STARS as its ground surveillance aircraft and purchase six of the aircraft. When NATO did not select Joint STARS for its fleet, DOD did not update the QDR's recommendation, leaving the Air Force with a six ground surveillance aircraft shortfall. Accordingly, the committee recommends \$72 million for advance procurement of two Joint STARSs.

EA-6B Prowler. As both the Navy and Air Force's primary electronic warfare aircraft, the Prowler protects U.S. aircraft and ships by jamming enemy radar and communications. However, the current fleet of EA-6Bs is not equipped to counter the latest family of radar systems. Therefore, the committee recommends \$113.7 million (\$39 million more than the President's

request) for modifications to the EA-6B to improve the aircraft's ability to jam the latest radar systems.

F-15 Eagle. The committee recommends \$231.4 million (\$34.8 million more than the President's request) for F-15 modifications and upgrades. These upgrades will provide increased engine safety, reliability, and performance – allowing the F-15 to remain the Air Force's primary air superiority fighter until the F-22 enters service in the next decade – and also improve its internal countermeasures systems.

F-16 Falcon. In an effort to reduce the Air Force's anticipated shortfall of 40 F-16C aircraft for attrition reserve, Congress has added funds to the President's request to procure 15 additional F-16C aircraft over the past three fiscal years. To continue to reduce this shortfall, the committee recommends \$60 million (the President did not request any funds) to procure two additional F-16C aircraft.

Future Naval Support Aircraft. With a rapidly aging fleet of Naval combat support aircraft (CSA), the committee understands that replacement systems will be needed. However, in view of the projected service lives for the existing CSA fleet, the committee believes that the start of the future naval support aircraft program can be deferred until fiscal year 2000. Therefore, the committee recommends no funding (\$27.1 million less than the President's request) for fiscal year 1999 to begin developing a replacement for the Navy's S-3 Vikings, E-2 Hawkeyes, and C-2 Greyhounds.

F/A-18E/F Super Hornet. The F/A-18E/F was designed to replace the recently retired A-6 and the fleet of F-14s and to supplement existing F/A-18C/Ds as the Navy's aviation strike aircraft. The committee recommends \$2.7 billion to procure 27 Super Hornets (\$204.7 million and three aircraft less than the President's request).

F-22 Raptor. The Air Force F-22 Raptor is the next-generation air dominance fighter. The committee supports the President's requests for \$1.6 billion for research and development, \$595.1 million for two production representative test vehicles, and \$190.2 million for advance procurement of six low rate initial production aircraft in fiscal year 2000.

Joint Strike Fighter (JSF). The JSF is planned to be an affordable, next-generation multi-role combat aircraft based on a common airframe and components for use by the Air Force, Navy, and Marine Corps. The committee supports the President's requests for \$463.4 million for the Navy JSF development and \$456.1 million for Air Force JSF development.

KC-130J Hercules. The committee recommends \$112.4 million (the President did not request any funds) to procure two KC-130Js for the Marine Corps. The J-version aircraft will phase out the Marine Corps' KC-130Fs, which are approaching 40 years of service and are the oldest aircraft in the Marine Corps inventory.

T-6A Joint Primary Air Training System (JPATS). The T-6A will replace the Air Force T-37 and the Navy T-34 as the primary pilot training aircraft for both services. The committee

recommends 22 Air Force T-6A aircraft (\$9.1 million and three aircraft more than the President's request) and \$12.2 million (the President did not request any funds) to initiate procurement of the first four Navy T-6A JPATS aircraft. The committee believes that initiating Navy T-6A procurement in fiscal year 1999 rather than in fiscal year 2000 (as planned by the Administration), and increasing the number of Air Force trainers purchased in fiscal year 1999, will reduce procurement and operating costs for both the Navy and the Air Force.

V-22 Osprey. The committee recommends eight V-22s (one aircraft more than the President's request). The addition of one V-22 reflects the recommendations of the QDR as well as the Marine Corps Commandant's unfunded priorities list for fiscal year 1999. The Osprey will replace the Marine Corps' aging fleet of CH-46 Sea Knight helicopters as its primary means of transporting Marines and their equipment into combat by air.

Helicopters

CH-47 Chinook Improved Cargo Helicopter. The committee recommends \$26.7 million (matching the President's request) to upgrade existing CH-47 Chinook improved cargo helicopters, extending the system's life-span by 20 years and reducing operating costs by more than 22 percent.

OH-58D Armed Kiowa Warrior. The committee recommends \$56.4 million (\$16 million more than the President's request) for safety enhancements (including crashworthy crew seats, an air bag body and head restraint system, and upgraded engines) to the Kiowa Warrior since these helicopters will remain in the Army's inventory until the RAH-66 Comanche is deployed.

RAH-66 Comanche. The Comanche began development in 1982 to fulfill the Army's requirement for an armed reconnaissance helicopter. While warfighting experiments at the National Training Center validated the need for the Comanche in tomorrow's Army, funding reductions in past years have limited the Army to a single Comanche prototype. Such an approach presents an unacceptable risk for such an important program. Therefore, the committee recommends \$429 million (\$62 million more than the President's request) to accelerate the fielding of a second Comanche prototype, development and inclusion of the full mission capability, and for a more robust testing program that will allow the Army to field Comanche, along with the first digitized corps, in 2004.

UH-60 Blackhawk. The committee recommends \$285.2 million (\$66.4 million more than the President's request) for a total of 30 UH-60 Blackhawks (eight more than the President's request), 18 of which are for the Army National Guard.

Munitions

Precision-Guided Munitions (PGMs). As Desert Storm demonstrated, PGMs are critically important munitions that reduce the risk to our forces and increase the effectiveness of every weapons platform that carries them. Therefore, the committee recommends the following:

- \$132.9 million (matching the President's request) for development of the Joint Air-to-Surface Standoff Missile (JASSM). The Air Force recently completed a competitive downselect for the development of the JASSM program, which was recently determined to be the most effective and affordable alternative when compared to the Navy's SLAM-ER;
- \$5.2 million (matching the President's request) for development of the Standoff Land Attack Missile – Expanded Response (SLAM-ER), the system that will meet the Navy's requirement for an advanced air-launched, standoff land attack system;
- \$7.9 million (\$6 million more than the President's request) to develop and test precision guided mortar munitions (PGMMs);
- \$11.3 million (matching the President's request) to evaluate the adaptation of the Army Tactical Missile System (ATACMS) for naval surface ship and submarine use as the Navy Tactical Missile System (NTACMS) ;
- \$10 million (the President did not request any funds) for AGM-142 Standoff Missiles. This missile is employed on the B-52H fleet and is used to attack targets at distances outside point defenses.
- \$30.6 million (\$6 million more than the President's request) to develop advanced weapons and munitions technology. The additional funds are for the trajectory correctable munitions (TCM) program, which would extend the range and accuracy of both current and future artillery platforms; and
- \$340 million (\$20 million more than the President's request) for over 3,500 Javelin anti-tank missiles for the Army and the Marine Corps.

Naval Programs

CVN-77 and CV(X). The CVN-77 will serve as the transition ship from the Nimitz-class of nuclear aircraft carriers to the next-generation CV(X) aircraft carrier. In accordance with Congress' actions last year, the committee has placed a priority on increasing research and development for the CVN-77. Therefore, the committee recommends \$38.5 million (matching the President's request) for development of CVN-77, \$190 million (matching the President's request) for development of CV(X), and a provision that would make \$50 million of funds for

development of CV(X) technologies available for development of technologies for insertion in CVN-77. In addition, the committee recommends \$124.5 million (matching the President's request) for advance procurement of CVN-77.

Landing Craft Air Cushion (LCAC). The LCAC is the Navy and Marine Corps' only high-speed, heavy-lift system to allow the conduct of over-the-horizon amphibious operations. In recent years, serious corrosion problems have threatened the LCACs' 20 year operational life expectancy. Consistent with the Marine Corps Commandant's priorities, the committee recommends \$16 million (the President did not request any funds) to accelerate the service life extension program.

LPD-18. The committee recommends \$638.8 million (matching the President's request) for advance procurement of the LPD-18, the second in the new *San Antonio* class of amphibious ships.

New Attack Submarine (NSSN). The committee recommends \$2 billion (\$10 million more than the President's request) to procure the second NSSN. The additional funds will ensure that integration of various electronic systems of the submarine, including sonar and combat control, are adequately funded. The NSSN will be a cost-effective, highly-capable class of submarines that will replace the aging *Los Angeles* class submarines and join the three boat *Seawolf* class submarines as America's attack submarine fleet.

DD-21 Land Attack Destroyer. Since retirement of the last battleship, the Navy has been without a land attack platform. To fill this role, the Navy is developing the DD-21 Land Attack Destroyer – a fast, survivable, state-of-the-art ship with the ability to direct massive firepower on land targets. The committee believes that the most effective way to develop the DD-21 is through a competitive acquisition strategy that will encourage contractors to use technology, creativity, and competition to develop the best possible ship. Unfortunately, the Navy's plans to compete the design of the DD-21 have recently stalled, placing this competitive strategy at risk. Therefore, the committee recommends \$60 million (\$25 million less than the President's request) for development of the DD-21 Land Attack Destroyer. This reduction will delay the initial phase of the DD-21 program, allowing the Navy and the shipbuilding industry to "catch-up" to the process, and ensure a competitive environment.

Ground Weapons and Vehicles

Advanced Amphibious Assault Vehicle (AAV). The committee recommends \$108.8 million (\$4 million more than the President's request) for continued development of the AAV. The AAV will be a high-water speed, amphibious, armored personnel carrier that will replace the Marine Corps' aging fleet of amphibious assault vehicles.

Crusader Self-Propelled Howitzer. The Crusader was conceived to be a state-of-the-art, 155 millimeter, self-propelled howitzer that would replace the Paladin system in tomorrow's Army.

However, as program design progressed, the elements that made the Crusader a state-of-the-art weapons system were removed from the program, raising questions about its viability in tomorrow's fighting environment. Therefore, the committee directs the Secretary of the Army to refocus the Crusader program to incorporate promising new technologies to ensure its compatibility with the Army of tomorrow. Therefore, the committee recommends \$253.6 million (\$59.6 million less than the President's request) for the Crusader. However, consistent with the committee's belief that the Crusader will be an effective weapon system if the Army incorporates new technologies in the design, the committee recommends \$40 million of increases for Army research and development programs with direct applications to the Crusader system.

High Mobility Multi-Purpose Wheeled Vehicle (HMMWV). The committee recommends \$22.1 million (\$10 million more than the President's request) to procure additional up-armored HMMWVs, which provide increased blast protection for vehicle occupants. The "Up-Armored" variant's additional protection was responsible for saving the lives of soldiers whose vehicles were struck by mine blasts in Bosnia.

Lightweight Howitzer. The lightweight 155mm towed howitzer will be the Marine Corps' sole artillery weapon once it replaces the aging M198 Howitzer. The program has completed one year of a three year engineering and manufacturing development program, and requires additional funding to test and evaluate various new technologies. Therefore, the committee recommends \$39.6 million (\$2.5 million more than the President's request) for this program.

National Guard and Reserve Equipment. The committee recommends \$300 million (the President did not separately request any funds) for National Guard and Reserve Component modernization programs including:

- \$50 million for two KC-135 reengining kits;
- \$38 million for two CH-60 Seahawks;
- \$15 million for improved F-16 avionics intermediate ship test equipment; and
- \$15 million to extend the service life of the Army Reserve's five-ton trucks.

In addition, the committee recommends the following modernization programs for National Guard programs funded elsewhere in the bill:

- **C-/EC-/WC-130J Aircraft.** The committee recommends \$285.2 million for five C/EC/WC-130J aircraft for the Guard and Reserve (the President did not request any funds). These funds would purchase one EC-130J (Air National Guard Special Operations variant), one WC-130J (weather reconnaissance variant for the Air Force Reserve), and three C-130Js.
- **Bradley Fighting Vehicle Modifications.** Currently, both the Army and the Army National Guard (ARNG) rely upon the Bradley Fighting Vehicle as their primary infantry support vehicle. Although the Army will soon enter full scale production to upgrade their entire Bradley fleet, the ARNG continues to rely upon first-generation vehicles

that, because of their lack of survivability, were not used in Operation Desert Storm and will never be taken into combat. Therefore, the committee recommends \$75 million (the President did not request any funds) to upgrade ARNG Bradley vehicles to combat-capable specifications. In addition, the committee recommends the requested \$286 million to upgrade active-Army Bradleys;

- **Multiple Launch Rocket System (MLRS).** The committee recommends \$125.4 million (\$50 million more than the President's request) to procure additional MLRS launchers for the Army National Guard. Although the Army National Guard is responsible for providing nearly 70 percent of the Army's artillery fire support, it currently suffers shortfalls in MLRS launchers; and
- **UH-60 Blackhawk Helicopters.** The committee recommends \$66.4 million for eight additional Blackhawks for the Army National Guard (ARNG), for a total of 18 ARNG Blackhawks as noted under "Helicopters" on page 18.

Innovative Technologies

Advanced Low Observable Coatings. Recently developed coatings that may be applied to military equipment and weapons platforms to reduce the battlefield signatures represent a low-cost, highly-adaptable approach to increasing the survivability of U.S. personnel and equipment in combat. Therefore, the committee recommends \$30 million (\$9 million more than the President's request) for development of advanced low observable coatings.

Airborne Reconnaissance Low (ARL). ARL aircraft are critical to successful intelligence collection efforts for forward deployed forces, operations other war, and mid-intensity conflicts. By integrating second-generation forward looking infrared radars, synthetic aperture radars, and wide-area search moving target indicators, these aircraft become critical assets for detecting, classifying, and tracking moving ground targets. Therefore, the committee recommends \$48.1 million (\$35 million more than the President's request) for an additional ARL aircraft and radar.

Cooperative Engagement Capability (CEC). The Navy's CEC program will integrate sensor data from multiple ships and aircraft into a single, real-time depiction of the battlefield. In response to additional funding requirements for the CEC program that were not included in the fiscal year 1999 budget request, and recognizing the increasing role that the Navy's CEC system will play in air defense and tactical ballistic missile defense for the fleet and for joint forces, the committee recommends \$157.6 million (\$26 million more than the President's request) for research and development of CEC. The committee also recommends \$82.3 million (\$35 million more than the President's request) to procure additional CEC systems for training and to meet operational requirements.

Defense Manufacturing, Technology Program (MANTECH). The MANTECH program integrates new manufacturing technologies into basic components of military machinery and

weapons. The resulting improvements have the potential to cut the cost, weight, and complexity of many of DOD's equipment and weapons. MANTECH has developed advanced manufacturing processes for optical components and systems, munitions and electronic components, and sophisticated structures and parts. Therefore, the committee recommends \$194 million (\$43.2 million more than the President's request) for MANTECH programs.

Next Generation Internet (NGI). The Defense Advance Research Projects Agency (DARPA), the National Science Foundation (NSF), the Department of Energy (DOE), the National Institute of Science and Technology (NIST), and National Aeronautics and Space Administration (NASA) have teamed together on a three-year, \$100 million per year program to develop a next-generation internet of high speed networks that are 100 to 1000 times faster than today's internet. For America's military, NGI would permit secure, high performance, global communications and advanced information networks. The committee continues to support the NGI initiative and recommends \$53 million (\$13 million more than the President's request) for the NGI initiative.

Safety and Survivability

Aircraft Protection Systems. The committee recognizes that many of the Air Force's passenger and cargo carrying aircraft currently operate without state-of-the-art collision and terrain avoidance systems. Both the Traffic Alert and Collision Avoidance System (TCAS) and the Enhanced Ground Proximity Warning System (EGPWS) offer substantial protection to aircrews and other military personnel flying in Air Force aircraft. Therefore, the committee recommends \$150.6 million (\$50 million more than the President's request) to install TCAS and EGPWS systems in various Air Force aircraft.

Aircraft Survivability Equipment (ASE). The continuing spread of anti-aircraft weapons around the world places a premium on teaching U.S. aircrews to recognize, avoid, and counter ground-to-air threats. The Aircraft Survivability Equipment Trainer IV (ASET IV) has proven to be a particularly effective teaching tool, although the system is in need of upgrades. To ensure that aircrews are able to train in realistic environments, the committee recommends \$12.5 million (\$7.4 million more than the President's request) for ASE upgrades and engineering changes (the entire increase is dedicated to ASET IV upgrades). In addition, the committee recommends \$119.2 million (\$15 million more than the President's request) for further development of the AN/ALQ-135 radar countermeasures system to counter developing, more advanced threats.

C-12 Modifications. The C-12 is one of the Army's primary passenger-carrying aircraft, and is expected to remain in service for at least the next 20 years. Because the majority of these aircraft were purchased in the 1970s and 1980s, they are equipped with avionics and navigation equipment that is obsolete today. To ensure safe operations, the committee recommends \$9.7 million (\$7 million more than the President's request) for avionics and cockpit upgrades to the C-12 fleet.

Chemical-Biological Defense. The committee has repeatedly expressed its support for a strong chemical-biological defense program to meet the threat posed by the proliferation of chemical and biological weapons in the post-Cold War world. The committee has also emphasized the need for an integrated chemical-biological defense research and development program that encompasses the requirements of all the military services and defense agencies. In addition, the committee believes that DOD should increase its emphasis on development of stand-off systems to detect nuclear, chemical, and biological weapons agents. The committee supports the President's requests for \$424 million for research and development and \$284 million for procurement of chemical-biological defense equipment.

Ejection Seat Improvements. The committee recommends \$30.8 million (\$6 million more than the President's request) to develop improvements in aircraft ejection seats and to research alternative technologies to further protect aircrews should they be required to eject from an aircraft.

Shortstop Electronic Protection System (SEPS). SEPS is an electronic "umbrella" that detects and causes detonation of incoming artillery, mortar, and rocket rounds before they reach friendly troops and facilities. Despite a 100 percent success rate in a test of 5,000 incoming rounds, the Army failed for the third straight year to include funding for SEPS in its budget request. Therefore, the committee recommends \$15 million to procure and field SEPSs in Korea and Kuwait, and \$10 million for SEPS upgrades to meet future threats.

REFORM

DOD remains one of the world's largest bureaucracies – one that costs American taxpayers billions of dollars every year to perform basic support and administrative functions. Although the fiscal year 1998 Defense Authorization Act, along with Secretary Cohen's Defense Reform Initiative (DRI), pushed a range of aggressive reforms, much streamlining remains to be done. The committee recognizes that continuing the streamlining process is paramount, and that failure to reprioritize scarce defense resources from overhead areas into modernization, readiness, and quality of life programs will threaten the flexibility and strength of the U.S. military. Therefore, the committee recommends several provisions that will continue this reform process.

Acquisition Workforce Reductions. The committee remains convinced that fundamental reform of the defense acquisition infrastructure is urgently needed in order to allow additional resources to be reallocated to combat-mission areas. Therefore, the committee recommends a provision mandating a 70,000 personnel reduction in the acquisition workforce over the next three years. In addition, the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85) required reductions to the acquisition workforce. Despite this congressional direction, recent statements from the Department indicate that the Secretary of Defense intends to waive a portion of these cuts. The committee urges the Secretary not to exercise his waiver option, and to proceed with the cuts mandated in the fiscal year 1998 Defense Authorization Act.

Advisory and Assistance Services (AAS). In recent years, DOD has increasingly relied upon the private sector to provide consulting services, which DOD calls “advisory and assistance services.” Recent GAO analyses have raised concerns that DOD has been significantly underreporting its AAS expenses. In addition, DOD has increasingly categorized AAS expenses in “miscellaneous services” accounts, making it difficult for Congress to conduct proper oversight of these programs and raising further concerns that DOD may be understating the true size of its AAS program. Therefore, the committee recommends a reduction of \$500 million from AAS accounts across the entire bill and a provision to prohibit DOD from classifying more than 30 percent of its AAS expenses as “miscellaneous” in its fiscal year 2000 budget request, and no more than 15 percent in following years. The committee believes that these actions will allow Congress to more effectively oversee AAS accounts and will keep future AAS costs to a more reasonable level.

Automatic Document Conversion Technology. The use of computer software to convert weapons systems engineering drawings from paper to electronic documents has the potential to reap significant savings. Consistent with the DRI's goal of using technology to find efficiencies, the committee recommends adding \$15 million (the President did not request any funds) to the Defense Logistics Agency (DLA) O&M account for this purpose. In addition, the committee recommends \$32 million (the President did not request any funds) to purchase Automatic Document Conversion System (ADCS) hardware and software.

Management Headquarters. The National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85) established a schedule for DOD to cut its management headquarters staff and required DOD to report to Congress on plans to reform management headquarters and headquarters support activities. Although Secretary Cohen's DRI contains many good reform ideas, it is not a substitute for the specific implementation plans required by law. Therefore, the committee rejects DOD's request to repeal the mandatory personnel reductions and reporting requirements, and recommends a provision to withhold 10 percent of fiscal year 1999 funds for the Office of the Secretary of Defense until the Department complies with all statutory reporting requirements on the matter.

In addition, GAO and DOD studies indicate that DOD's current definition of management headquarters activities may underestimate management headquarters personnel by as many as 30,000 positions each year. To address this problem, the committee directs DOD to revise its definition of management headquarters and to establish a uniform accounting of these activities by job function.

Non-Mission Costs. The committee remains concerned by the growing gap between the level of defense resources dedicated to mission-oriented activities and the level of resources dedicated to administration, management, logistics, and basic support. According to GAO, DOD will spend nearly 60 percent of its budget on non-mission activities from fiscal year 1997 through 2001. In an effort to more closely monitor these types of costs, the committee recommends a provision to require the Secretary of Defense to annually report to Congress on the personnel and budgetary resources dedicated to non-mission activities as compared to mission related activities.

OTHER INITIATIVES

Auxiliary Fleet Requirements. The Navy's Combat Logistics Force of auxiliary ships and prepositioned ships to support contingency operations are aging without a robust investment program to replace them. To support the Navy and DOD replacement effort, the committee recommends a provision to allow the Secretary of the Navy to enter into the long-term lease or charter of U.S.-built ships and their crews to meet DOD auxiliary fleet requirements.

Bosnia. Concerned over the continued escalation of costs associated with the deployment of U.S. troops in Bosnia, the committee adopted a funding cap at the Administration's requested level of \$1.86 billion for operations in Bosnia during fiscal year 1999. The provision would allow the Secretary of Defense to exceed this cap by \$100 million if he certified that the additional funds were necessary to safeguard U.S. forces. In addition, the Secretary would be required to submit a report to the Congress by April 1, 1999 projecting the estimated costs of the Bosnia deployment for the remainder of the fiscal year.

The committee is concerned that DOD has not accurately evaluated the true risk – measured not only in dollars, but in terms of reduced ability to respond to other crises around the world – of repeated contingency operations in Bosnia and the Balkans. Until DOD takes such a measurement, it will remain difficult to assess the complete costs of the Bosnia mission to U.S. national security strategy and interests. Therefore, the committee recommends a provision to require the President to periodically report to Congress on the mission, objectives, risks, and duration of a follow-on deployment in the Balkans, as well as on the benchmarks for eventual U.S. troop withdrawal. In addition, the provision would require the Secretary of Defense to report to Congress by December 15, 1998, on the effects of U.S. military operations in Bosnia and the Balkans on the ability of the military to execute the National Military Strategy.

Cooperative Threat Reduction (CTR). The committee maintains its historically strong support for the core purpose of CTR – the accelerated dismantlement of former Soviet strategic offensive arms that threaten the United States. Therefore, the committee recommends \$417.4 million (\$35.2 million more than the amount appropriated in fiscal year 1998, but \$25 million less than the President's request) for CTR activities in fiscal year 1999. The committee supports DOD's request for all activities related to the transportation, safe storage, and elimination of nuclear weapons. Specific recommendations include approval of:

- \$221.3 million (\$31.4 million more than the President's request) for strategic offensive arms elimination activities in Russia and Ukraine;
- \$35 million (approximately the same as the fiscal year 1998 funding level, but \$53.4 million less than the President's request) for chemical weapons destruction in Russia; and
- \$60.9 million (matching the President's request) to design a fissile material storage facility in Russia.

Finally, in line with the committee's belief that CTR funds are most effectively used to support the core purposes of the CTR program, the committee recommends a provision to continue the prohibition on the use of CTR funding for peacekeeping-related activities in Russia, or for housing, environmental restoration, or job retraining.

Counterdrug Activities. According to recent studies, some 13 million Americans spent upwards of \$55 billion on illegal drugs in 1996. The costs of illegal drug use in America go far beyond economic costs – they exact a terrible toll on families, children, and communities. The committee fully endorses the goal to create a drug-free America, and believes that proper use of the military's unique resources will have a real effect on staunching the flow of drugs into the United States. One such proper use is to reduce the supply of drugs by controlling America's borders. Statistics indicate that 70 percent of all hard drugs and illegal narcotics found in the United States originally crossed the U.S.-Mexican border – and effective interdiction has the potential to seriously impact illicit drug trade in the United States. By reprioritizing programs within the President's \$727.6 million request to emphasize DOD's primary role, the committee recommends adding \$37.9 million to key counterdrug accounts. Major committee recommendations include:

- \$24.4 million (the President did not request any funds) to restart Operation Caper Focus – a military operation targeted at stopping large cargo ships from delivering drugs into the United States via the eastern Pacific Ocean. The committee is concerned that the President's budget for stopping drug flow through this "transit zone" has declined dramatically, even though significant amounts of drugs continue to flow through the eastern Pacific and Caribbean Sea. In particular, the committee was disappointed that the Secretary of Defense stopped Operation Caper Focus before its completion, despite its demonstrated effectiveness during the short time it took place. Therefore, the committee recommends funds to restart the operation, and directs the Secretary of Defense to make available the air and maritime assets necessary to execute the operation; and
- reprioritizing \$42.5 million within the Counter-Drug account to emphasize higher priority programs in support of domestic law enforcement agencies and the National Guard.

Department of Energy (DOE) Funding Levels. DOE maintains several programs critical to our nation's defense, including production and protection of nuclear materials and management of radioactive defense waste and environmental restoration. The committee recommends \$11.8 billion (\$335.7 million less than the President's request) for DOE programs including the following:

- **DOE Defense Programs.** The committee recommends \$4.5 billion (\$17 million less than the President's request) for DOE defense programs. This total includes \$4.1 billion in new budget authorizations, and authorization to use \$340.9 million of funds appropriated in past years that have not yet been spent. The committee's recommendation for key DOE defense programs includes:

- **Accelerated Strategic Computing Initiative (ASCI).** ASCI is the centerpiece of the Administration's science-based stockpile stewardship effort to maintain the safety and reliability of U.S. nuclear weapons without actual nuclear tests. The committee has been impressed with the achievements of the ASCI program, but is concerned by technical difficulties and the large increase in the President's request – this year's request is 47 percent greater than fiscal year 1998 level. Therefore, the committee recommends \$279.1 million (\$50 million less than the President's request) for ASCI. This total is a 25 percent increase compared to fiscal year 1998, and will keep the program on an aggressive, but measured pace;
- **Office of Naval Reactors.** The committee recommends \$681.5 million (\$16 million more than the President's request) for the Office of Naval Reactors, and to allow the efficient shut down and remediation of sites in New York and Idaho;
- **Production Complex.** The DOE production complex embodies the manufacturing capabilities required to sustain a nuclear stockpile. The tasks performed at weapons manufacturing sites remain very challenging, and the committee is concerned that the requested funding level will not be adequate to meet the expanding workload. Therefore, the committee recommends adding \$25 million to the President's request for weapons surveillance, maintenance, and disassembly performed at the Pantex plant in Texas. The committee also recommends \$78.1 million (\$15.5 million more than the President's request) for the Advanced Manufacturing, Design, and Production Techniques (ADAPT) program to develop technologies to facilitate a more efficient nuclear weapons production complex. Finally, the committee recommends \$13 million more than the President's request for infrastructure and safety upgrades and technology infusion at the Y-12 plant in Tennessee;
- **Stockpile Stewardship and Management Construction Projects.** The committee recommends \$485.1 million (\$30 million less than the President's request) for a variety of construction projects at the national laboratories and production sites. The reduction reflects the committee's concern that DOE is starting too many construction projects at the same time; and
- **Tritium Production.** The committee recommends \$187 million (\$30 million more than the President's request) for tritium production.
- **Department of Energy Environmental Management Programs.** The committee recommends \$5.8 billion (\$17.7 million more than the President's request) for DOE's environmental cleanup and management programs. This total includes \$5.7 billion in new budget authorizations, and authorization to use \$94.1 million of funds appropriated in past years that have not yet been spent. The committee's recommendation for DOE's environmental management program includes:

- \$1 billion (\$40 million more than the President's request) for the Defense Facilities Closure Project. By providing additional funding for this program, the committee believes that DOE will be able to accelerate the closing of facilities that are nearing cleanup completion and reduce the maintenance costs of the nuclear complex;
 - \$1 billion (\$38 million more than the President's request) to facilitate construction and site completion at facilities DOE will close by 2006;
 - \$2.8 billion (\$92 million more than the President's request) for construction and project work at facilities with complex and extensive environmental issues that DOE will close after 2006;
 - \$286.9 million (\$230 million less than the President's request) for Defense Environmental Management Privatization. The committee believes that the appropriation of \$230 million can be deferred without any impact due to project delays of 16 to 24 months within the program;
 - \$270.8 million (\$77.8 million more than the President's request) for the Defense Environmental Restoration and Waste Management Science and Technology program, which develops new technologies for nuclear waste cleanup; and
 - a provision to withhold 25 percent of Defense Environmental Restoration and Waste Management program direction funds for fiscal year 1999 until the Secretary of Energy submits a plan to improve the DOE employment system. This provision reflects the committee's belief that DOE's poor record with regards to environmental management is due in part to failures in hiring quality technical and management personnel.
- **Protecting DOE Employees.** The committee is concerned that the Administration's plan to reduce funding for the Office of Environment, Safety, and Health would jeopardize DOE defense-related employees, people living near DOE defense-related facilities, and the environment. To ensure that the workforce at current and former weapons production sites are sufficiently protected, the committee recommends \$94 million (\$20 million more than the President's request) for the defense component of the Office of Environment, Safety, and Health.

DOD Environmental Funding Levels. The committee recommends \$4.3 billion (\$46.6 million less than the President's request) for DOD environmental programs.

Depleted Uranium Training and Health Surveillance. During the Persian Gulf War, many U.S. service members were unaware of the potential health hazards associated with working around spent depleted uranium (DU) munitions. As a result, many soldiers who worked with

contaminated vehicles hit by DU munitions and other debris were unnecessarily exposed. Thus far, DOD efforts to direct the military services to establish DU training programs have been unsuccessful. The committee believes that all service members should be well informed of the precautions necessary for avoiding exposure to DU, and therefore directs the Secretary of Defense to implement DU training programs across the services. In addition, the committee strongly supports the efforts of the Secretary of Defense and the Secretary of Veterans Affairs to track the medical conditions of Persian Gulf War veterans who were exposed to DU, and believes that these efforts will lead to more definitive answers about the short and long-term effects of DU exposure.

Export Control and Counterproliferation Jurisdiction. The committee notes with interest DOD's plan to establish a Defense Threat Reduction Agency (DTRA) that would be responsible for arms control inspections, technology security, nuclear support, special weapons technology, cooperative threat reduction, chemical and biological weapons defense, counterproliferation, and force protection. However, the committee is concerned that DOD's plan would require DTRA to report directly to the Under Secretary of Defense for Acquisition and Technology. Although this reporting chain makes sense for some of the organizations that would make up DTRA, it presents a potential conflict of interest for the policy-oriented organizations that would become part of DTRA. The unfortunate fact is that the goals of preventing the acquisition of sophisticated technologies by other countries and promoting technology transfers are sometimes contradictory. To ensure that such a conflict of interest does not occur, and that DOD continues to recognize the importance of export control issues, the committee recommends a provision to give the Under Secretary of Defense for Policy responsibility for issues related to export control.

Honor Guard Details. In recent years, DOD has cited manpower and budgetary shortfalls as it has refused to provide honor guard details for many veterans' funerals. The committee is disturbed by this development, as it believes that America's veterans deserve the honor of having a military detail participate in their funeral. Therefore, the committee recommends a provision to require the secretaries of the military departments to provide, upon request, honor guard details for veterans' funerals occurring on or after October 1, 1999.

Implementing Kassebaum-Baker Panel Recommendations. The committee recommends a provision to implement the two recommendations of the Federal Advisory Committee on Gender-Integrated Training and Related Issues (the Kassebaum-Baker Panel) relating to the organization of basic training. The provision would require each of the military services to assign male and female recruits to same-gender units at the small-unit level – platoons, flights, and divisions – during basic training. In addition, the provision would require each of the services to house male and female recruits in separate buildings beginning April 15, 1999. Until October 1, 2001, each of the service secretaries would be able to waive this rule at a particular installation if sufficient housing facilities are not available at that installation. However, if such a waiver were used, the provision would require male and female recruits to live on separate floors. To implement the separate floor portion of the provision, the committee recommends \$8 million. Finally, the provision delays implementation of these recommendations until after the final re-

port of the Commission on Basic Training and Gender-related Issues, established in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105-85), is expected to be presented to Congress.

New Decorations for Service. The committee recommends a provision that would require the Secretary of Defense, the service secretaries, and the Secretary of Transportation to develop and submit a proposal to Congress by July 31, 1999, to establish two new military decorations. One new decoration would recognize service members who are killed or wounded under non-combat conditions, and the other would recognize U.S. civilian nationals who are killed or wounded while serving in an official capacity with the United States armed forces.

Pollution Prevention. According to DOD, the future of the defense environmental compliance program depends upon increasing the priority and funding for the pollution prevention program. Although this approach certainly has merit, the committee is concerned that between fiscal year 1997 and fiscal year 1999, DOD will spend \$776 million on pollution prevention, but that compliance costs will drop only \$30 million – or four percent. This small rate of return on such a substantial investment raises numerous questions about the program. Therefore, the committee directs the Secretary of Defense to report to Congress by December 31, 1998, on DOD's pollution prevention program, future prevention plans, and the relationship between its prevention and compliance programs.

POW/MIA Recovery Efforts. The Central Identification Laboratory in Hawaii (CILHI) performs the important mission of identifying the remains of soldiers, sailors, airmen, and Marines lost in past conflicts. Despite the importance of its mission, the Army intends to reduce CILHI staffing by 33 personnel in fiscal year 1999 in anticipation of support from other services. The committee disagrees with this personnel reduction in light of the critical mission CILHI performs, the likelihood that more remains will be recovered in coming years given the increased openness to sites on the Korean peninsula, and uncertainty whether other services will support the mission. Therefore, the committee recommends a provision to prohibit the Army from reducing the CILHI staff until the Secretary of Defense establishes a comprehensive joint staffing plan for the facility.

Repealing the Landmine Moratorium. Under the Landmine Moratorium, the U.S. military will lose the ability to utilize antipersonnel landmines in warfighting plans (except in the demilitarized zone between North and South Korea) on February 12, 1999. According to General Henry Shelton, Chairman of the Joint Chiefs, "...the Moratorium risks greater casualties to the members of our armed forces, as well as to the armed forces and citizens of our coalition partners." In support of DOD's request to provide legislative relief from the moratorium, the committee recommends a provision to repeal the prohibition on the use of landmines by U.S. military forces.

Weapons of Mass Destruction. The President's budget request included a number of legislative proposals to expand DOD's ability to respond to domestic terrorist activities, including the use of weapons of mass destruction (WMD), on American soil. These proposals included authority to transfer funds among DOD accounts for counterterrorism or force protection and to

use the National Guard and reserves to respond to WMD incidents. Although DOD possesses a significant amount of counterterrorism expertise, and the committee believes that federal, state, and local governments need to prepare to respond to terrorist activities within the United States, the committee is concerned that DOD has not sufficiently coordinated these proposals with other federal, state, and local agencies that share responsibility for responding to WMD incidents. In addition, the committee does not believe that DOD has adequately defined its own role, requirements, and authorities in responding to WMD incidents. In essence, DOD's approach to this initiative thus far has been that it alone can, and should, shoulder the response burden. The committee disagrees with this approach, and believes that countering terrorist acts against the United States is not the sole purview of DOD.

Therefore, the committee recommends deferring action on the President's legislative proposals until DOD better defines its overall plan for addressing these issues. In addition, the committee directs the Secretary of Defense to report to Congress by December 31, 1998, on these issues, including DOD's counterterrorism and WMD response plans, the relationship between local, state, and federal authorities in case of a WMD emergency, and the authorities governing DOD involvement in counterterrorism response.

###

Actions on Major Programs in the Fiscal Year 1999 Defense Authorization Act

(dollars in millions)

Major Army Programs						
	FY 1999 Budget Request			H.R. 3616		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
M1A2 Abrams	\$6.4	120	\$675.6	\$6.4	120	\$675.6
Bradley A2 ODS	\$68.0	n/a	\$0.0	\$68.0	n/a	\$75.0
OH-58D Upgrades		n/a	\$40.4		n/a	\$56.4
RAH-66 Comanche	\$367.0	n/a		\$429.0	n/a	
Crusader	\$313.2	n/a		\$253.6	n/a	
Crusader improvements		n/a		\$40.0	n/a	
Up-armored HMMVWs		n/a	\$12.1		n/a	\$22.1
MLRS Launchers		24	\$85.4		n/a	\$125.4
Javelin Missiles		3,316	\$320.0		n/a	\$340.0
UH-60 Blackhawk		22	\$218.8		30	\$285.2

Major Navy and Marine Corps Programs						
	FY 1999 Budget Request			H.R. 3616		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
V-22 Osprey	\$355.1	7	\$665.0	\$355.1	8	\$728.8
AAAV	\$104.8	n/a		\$108.8	n/a	
Joint Strike Fighter	\$463.4	n/a		\$463.4	n/a	
F/A-18E/F	\$260.0	30	\$2,897.2	\$260.0	27	\$2,692.5
E-2C Hawkeye	\$47.8	3	\$206.4	\$47.8	3	\$206.4
JPATS		0	\$0.0		4	\$12.2
NSSN	\$299.6	1	\$2,002.9	\$316.6	1	\$2,012.9
CVN-77	\$88.5	n/a	\$124.5	\$88.5	n/a	\$124.5
CV(X)	\$190.0	n/a		\$190.0	n/a	
DDG-51	\$132.6	3	\$2,679.4	\$132.6	3	\$2,674.4
CH-60	\$12.8	4	\$106.0	\$12.8	4	\$106.0
JASSM	\$2.1	n/a		\$2.1	n/a	
KC-130J		0	\$0.0		2	\$112.4
LPD-18		1	\$638.8		1	\$638.8

Major Air Force Programs						
	FY 1999 Budget Request			H.R. 3616		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
F-22	\$1,600.0	2	\$785.3	\$1,600.0	2	\$785.3
Global Hawk UAV Adv. Proc.		n/a	\$0.0	n/a	n/a	\$32.5
E-8C Joint STARS		2	\$463.0	n/a	2	\$450.0
E-8C Joint STARS Adv. Proc.		n/a	\$0.0	n/a	n/a	\$72.0
F-16C/D Fighting Falcon	\$125.1	0	\$0.0	\$100.5	2	\$66.0
C-/EC-/WC-130J		1	\$63.8		6	\$349.0
Navigation Safety Mods.	\$27.0	n/a	\$100.6	\$27.0	n	\$150.6
C-17 Globemaster	\$123.1	13	\$2,900.5	\$123.1	13	\$2,900.5
Joint Strike Fighter	\$456.1	n/a		\$456.1	n/a	
JASSM	\$132.9	n/a		\$132.9	n/a	
B-2 Post Production Support	\$131.2	n/a	\$189.9	\$131.2	n/a	\$275.9

Major Defense-wide Programs						
	FY 1999 Budget Request			H.R. 3616		
	R & D	Quantity	Procurement	R & D	Quantity	Procurement
Ammunition (all services)		n/a	\$1,635.4		n/a	\$1,704.0
Ballistic Missile Defense		~~~~~ \$3,640.5 ~~~~~			~~~~~ \$3,773.3 ~~~~~	
THAAD	\$821.7	n/a		\$821.7	n/a	
Navy Theater Wide	\$190.4	n/a		\$310.4	n/a	
PAC-3	\$137.3	60	\$343.3	\$193.3	40	\$303.3
National Missile Defense	\$950.5	n/a		\$950.5	n/a	
Nat. Guard and Res. Equipt.		n/a	\$0.0		n/a	\$300.0

INDEX

—A—

Accelerated Strategic Computing Initiative (ASCI)	29
Acquisition Workforce	25
Active Duty End Strengths	10
Active Duty Special Pay and Bonuses	2
Advanced Amphibious Assault Vehicle (AAAV)	20
Advanced Low Observable Coatings	22
Advisory and Assistance Services (AAS)	25
AGM-142 Standoff Missiles	19
Airborne Reconnaissance Low (ARL)	22
Aircraft	16
Aircraft Protection Systems	23
Aircraft Survivability Equipment (ASE)	23
Army College Fund	13
Army Tactical Missile System (ATACMS)	19
Arrow	16
Atmospheric Interceptor Technology (AIT)	15
Automatic Document Conversion Technology	25
Auxiliary Fleet Requirements	27
Aviation Officer Retention Bonus	2

—B—

B-2 Spirit	16
B-52 Stratofortress	19
Ballistic Missile Defense Organization (BMDO)	14
Ballistic Missile Defenses	14
Basic Military Pay Increase	1
Basic Training	12
Blackhawk	18
Blackhawk Helicopter	22
BMD Programs, International Efforts	16
Bomber Modernization	16
Bosnia	21, 27
Bradley Fighting Vehicle	21
Building Tomorrow's Military	14

—C—

C-12	23
C-17 Globemaster	16
C-2 Greyhound	17
Central Identification Laboratory in Hawaii (CILHI)	32
CH-46 Sea Knight	18
CH-47 Chinook	18
CH-60 Seahawks	21
Chemical-Biological Defense	24
Child Development Centers	5
Chinook	18
College Fund	13
Comanche	18
Commissary Benefits	12
Commissary Benefits, Reserve Forces	6
Commission on Basic Training and Gender-related Issues	31
Cooperative Engagement Capability (CEC)	22
Counterdrug Activities,	28

Counterproliferation	31
Crusader Self-Propelled Howitzer	20
CV(X)	19
CVN-77	19

—D—

DD-21 Land Attack Destroyer	20
Defense Commissary Agency (DeCA)	6
Defense Environmental Management Privatization	30
Defense Environmental Restoration and Waste Management	30
Defense Facilities Closure Project	30
Defense Manufacturing, Technology Program (MANTECH)	22
Defense Threat Reduction Agency (DTRA)	31
Dental Care for Dependents, Retirees	4
Depleted Uranium Training and Health Surveillance	30
Depot Maintenance	8
DOE Defense Programs	28
DOE Environmental Management Programs	29
DOE Funding Levels	28
Drawdown Tools	12

—E—

E-2 Hawkeye	17
E-8C Joint Surveillance and Target Attack Radar System (Joint STARS)	16
EA-6B Prowler	16
Early Retirement Authority	12
Early Retirement Board, Management of	12
Educational Loans, Health Professional	2
EGPWS	23
Ejection Seat Improvements	24
Employment Cost Index (ECI)	1
End strengths, Active Duty	10
End Strengths, Selected Reserve	11
Enlistment Bonus, Ready Reserve	2
Enlistment Bonus, Selective Reserve	2
Enlistment Bonuses	12
Enrollment-Based Capitation Funding	4
Environmental Funding Levels (DOD)	30
Export Control	31

—F—

F/A-18C/D	17
F/A-18E/F Super Hornet	17
F-15 Eagle	17
F-16 Falcon	17
F-16 Falcon Avionics Intermediate Ship Test Equipment	21
F-22 Raptor	17
Family Housing	5
Family Housing Benefits	12
Federal Advisory Committee on Gender-Integrated Training	31
Federal Employees Health Benefits Program (FEHBP)	4

Fitness Centers	5
—G—	
Gender-Integrated Training	31
Ground Proximity Warning System, Enhanced	23
Ground Weapons and Vehicles	20

—H—	
Health Benefits	12
Health Care	3
Health Care Access Standards	3
Health Care Professional Special Pay	2
Health Care, Retirees	3
Health Professional Educational Loans	2
Health Services Claims Reform	4
Helicopters	18
High Mobility Multi-Purpose Wheeled Vehicle (HMMWV)	21
Honor Guard Details	31

—I—	
Imminent Danger Pay	2
Imminent Danger Pay Policy for Reservists	2
Impact Aid	7
Innovative Technologies	22

—J—	
Javelin Anti-Tank Missile	19
Joint Air-to-Surface Standoff Missile (JASSM)	19
Joint Primary Air Training System (JPATS)	17
Joint Strike Fighter (JSF)	17
Joint Surveillance and Target Attack Radar System (Joint STARS)	16

—K—	
Kassebaum-Baker Panel	31
KC-130J Hercules	17
KC-135 Reengining Kits	21
Kiowa Warrior	18

—L—	
Landing Craft Air Cushion (LCAC)	20
Libraries	6
Lightweight Howitzer	21
Long Range Airpower Review Panel	16
Los Angeles Class Submarine	20
LPD-18	20

—M—	
M198 Howitzer	21
Management Headquarters	26
MANTECH	22
Medicare Subvention	4
Medigap Supplemental Policies	4
Military Construction	4

Military Medical Treatment Facilities (MTFs)	3, 4
Modernization	14
Morale, Welfare, and Recreation (MWR)	5
Multiple Launch Rocket System (MLRS)	22
Munitions	19

—N—	
National Guard and Reserve Construction	10
National Guard Full Time Support Personnel	11
National Institute of Science and Technology (NIST)	23
National Missile Defense (NMD)	14
National Science Foundation (NSF)	23
National Training Center (NTC)	9
Naval Programs	19
Naval Support Aircraft, Future	17
Navy Area Defense	15
Navy Tactical Missile System (NTACMS)	19
Navy Theater Wide	15
New Attack Submarine (NSSL)	20
New Decorations for Service	32
Next Generation Internet (NGI)	23
Non-Mission Costs	26
North Atlantic Treaty Organization (NATO)	16
Nuclear Career Accession Bonus	2
Nuclear Career Incentive Bonus	2
Nuclear Qualified Officers Special Pay	2
Nunn-Lugar	27
Cooperative Threat Reduction (CTR)	27

—O—	
Office of Environment, Safety, and Health	30
Office of Naval Reactors	29
OH-58D Armed Kiowa Warrior	18
Operation Caper Focus	28
Operations and Maintenance Funding (O&M)	8
Other Initiatives	27

—P—	
Paladin Howitzer	20
Patriot Advanced Capability-Configuration 3 (PAC-3)	15
Pay and Allowances	1
Pay and Bonuses	2
Pay Increase	1
Pharmacy System	3
Pollution Prevention	32
POW/MIA Recovery Efforts	32
Precision Guided Mortar Munitions (PGMM)	19
Precision Guided Munitions (PGMs)	19
Prior Service Enlistment Bonus	2
Production Complex	29

—Q—	
Quality of Life Initiatives	1

—R—	
RAH-66 Comanche	18
Readiness Measurement, Improving Accuracy of	9 v1.0

Readiness Realities	8
Real Property Maintenance (RPM)	9
Recruiter Support	12
Recruiting	12
Recruiting Advertising	12
Recruiting Challenges	12
Reenlistment Bonus for Active Duty	2
Reenlistment Bonus, Ready Reserve	2
Reenlistment Bonus, Selective Reserve	2
Reenlistment Bonuses for Active Duty Reservists	2
Reform	25
Resale Products, Ensuring Access to	5
Resale System, Stabilizing the	6
Reserve Forces Special Pay and Bonuses	2
Retirees, Dental Care for Dependents	4
Retirees, Health Care	3

—S—

S-3 Viking	17
Safety and Survivability	23
Seawolf	20
Selected Reserve End Strengths	11
Shaping the Force, Tools for	10
Shortstop Electronic Protection System (SEPS)	24
SLAM-ER	19
Space Based Laser (SBL)	15
Spare Parts, Aircraft	8
Stockpile Stewardship and Management Construction Projects	29

—T—

T-6A Joint Primary Air Training System (JPATS)	17
The Defense Advance Research Projects Agency (DARPA)	23
Theater High Altitude Air Defense (THAAD)	15
Theater Missile Defense (TMD)	15
Time in Grade Requirements	12
Traffic Alert and Collision Avoidance System (TCAS)	23
Training Ammunition	10
Training Center Improvements	9
Trajectory Correctable Munitions (TCM)	19
TRICARE	3, 4
TRICARE Prime	4
Tritium Production	29
Troop Housing	5

—U—

UH-60 Blackhawk	18
UH-60 Blackhawk Helicopter	22
UH-60 Blackhawk, Army National Guard	18

—V—

V-22 Osprey	18
Voluntary Retirement, Commissioned Service	12
Voluntary Separation Incentive Authority	12

—W—

Weapons of Mass Destruction, Response to	32
--	----